THE Marketing and Transportation SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
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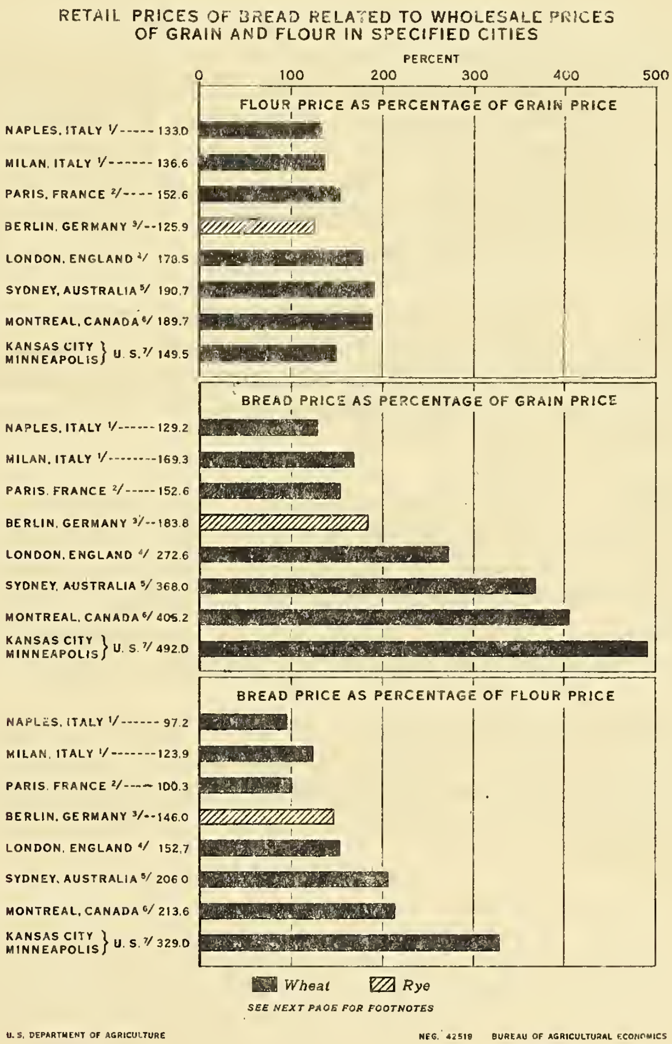

Retail prices of bread in the United States are much higher in relation to grain and flour prices than in many other countries. The differences in relative prices are to a considerable extent accounted for by differences in ingredients used and in merchandizing services rendered, although higher wage rates in the United States also are a factor.

Footnotes to Figure on Cover Page

1/ Average 1933-36. The price of bread related to weights of 1 kilogram per loaf in Naples and 80 to 170 gr. per unit in Milan.

2/ Average 1934-38.

3/ Average 1933-37. The price of rye flour has been less than in proportion to the price of rye; rye millers obtained subsidies paid by the consumers of white flour.

4/ Average 1933-37. The price of wheat is the average price of all wheat imported into Great Britain; this price is likely to have been close to that paid by the London millers. The price of flour is that of straight run in London; the price paid by the London bread bakers for their flour may have been somewhat less. The price of bread is that for Great Britain and Northern Ireland but the price in London was unlikely to have differed sensibly from this.

5/ Average 1935-39. During years in which wheat prices were low (1935, 1936, and 1939) a very large tax was imposed on the domestic utilizers of flour; the return was distributed among wheat growers. The price of wheat does not include the return from the tax, whereas the price of flour is inclusive of the tax.

6/ Average 1934-38. The price of Manitoba 3 wheat basis Fort William was increased by 6 cents to bring it to the basis of Montreal. The price of bread is that in cities of all Canada, but the Montreal price is unlikely to differ substantially from this average. The lower than average bread prices in Western Canada may be approximately offset by the higher than average prices in the easternmost areas.

7/ No. 2 Hard Winter in Kansas City and No. 1 Northern Spring in Minneapolis. Average prices weighted by quantities for year starting in July of previous year. Straight patent in Kansas City and second patent in Minneapolis. Retail price of white pan bread as shown by the Bureau of Labor Statistics.

MARKETING AND TRANSPORTATION SITUATION

July 1943

SUMMARY

Charges for marketing farm food products dropped nearly 2 percent from mid-May to mid-June while city retail prices fell 1 percent and prices paid farmers for equivalent produce declined slightly. These reversals in the prevailing trends may be ascribed principally to price control actions of the Office of Price Administration and to easing of the supply situation for several food items, particularly potatoes and other fresh vegetables. The retail price of butter dropped more than 5 cents a pound from May to June.

The farmers' share of the retail food dollar remained unchanged from May to June at 55 cents, following the record highs of 56 and 57 cents during the first 4 months of 1943.

From April to May the rise in average income per civilian consumer amounted to about 1 percent. The advance in consumers cost of the "food basket" representing pre-war 1935-39 annual consumption was less than 1 percent and the share of income required to purchase this basket remained at the record low of 16 percent. Actual expenditures for foods and meals in April and May were less than 30 percent of total expenditures for all consumer goods and services or about the same as in September 1942 as estimated by the United States Bureau of Foreign and Domestic Commerce.

Retail prices of bread in the United States have changed relatively little since the beginning of the present war. Prices of wheat and flour have advanced but retail prices of bread have been held down by ceilings. Results of a technical study recently completed show that prior to World War II retail prices of bread in the United States were much higher than in many other countries. The difference in relative prices is accounted for to a considerable extent by difference in ingredients used and in merchandising services rendered, although higher wage rates in the United States also are a factor.

July 31, 1943

BREAD PRICES, BREAD MARGINS AND COSTS

The problem of holding down the retail price of bread in the face of higher flour prices and other costs has emphasized the need for more information on bread merchandising practices and costs. A technical study of this subject recently completed in the Bureau of Agricultural Economics for administrative use contains some information of general interest 1/

The ingredients which go into baker's bread in the United States generally are more varied and of higher quality and total cost than those from which the heavier and coarser breads of most other countries are made. The average formula for baker's bread also appears to be richer than that used by most home bakers in the United States, although it might be difficult to convince those who recall the bread which "mother used to make". Some people complain about the quality of present-day baker's bread, believing it to be too light and dry. The bakers, however, seem to believe that the public wants this kind of bread, since the ingredients they use are more expensive than those from which the heavier types of bread could be provided.

A typical baker's bread formula (as computed for 1942) is made up of the following ingredients and costs:

100	lbs. of flour	$ 3.08
2	lbs. of salt.	.02
1.75	lbs. of yeast	.24
3	lbs. of shortening.	.48
4.75	lbs. of sugar	.26
2.5	lbs. of milk solids	.36
.5	lbs. of malt extract.	.04
.375	lbs. of mineral yeast food.	.03
64.	lbs. of water	.00
Total weight 178.88 lbs.	Total cost of ingredients .	4.51

This formula yields about 156 pounds of bread with an ingredient cost (in 1942) of 2.89 cents per pound. But the cost of the ingredients is only a small part of the total cost of getting the bread to the consumer. Other costs incurred by the baker, including selling and delivery, amount to considerably more than the cost of the ingredients (see chart page 5). These additional costs are to a considerable extent a reflection of the many services which have gradually become a part of the merchandising of bread.

In many foreign countries, the bread formulas are much less rich and the aggregate of ingredients therefore is less expensive. Moreover, few of the merchandising services rendered in connection with the marketing of bread in the United States are found in other countries. The bread generally passes directly from the baker to the ultimate consumer. These differences in bread ingredients and merchandising methods are reflected in the much lower price and cost of marketing bread in some other countries than in the United States as shown in the chart on the cover page.

1/ A very limited number of dittoed copies are available for distribution to persons performing technical work in this field.

Figure 1.- The trend of retail bread prices declined from World War I to 1932 with decreases in wheat prices and in total cost of bread ingredients, but the combined baker-retailer margin changed relatively little. The rising cost of ingredients and other items combined with controlled retail prices recently have put pressure on the baker's margin, and together with conservation measures have resulted in the reduction of services rendered in bread merchandizing.

If American consumers want the kind of bread and the kind of bread merchandising services they are getting, then differences in bread prices great enough to cover the additional costs may be justified. The mere fact that consumers buy the bread and the services, however, is not conclusive, since they do not know the additional costs arising from each item, and have no effective way of indicating their desires to bread manufacturers. Moreover, competitive forces generally require any one manufacturer to follow the practices which are customary for the industry in that locality. For example, in pre-war days no one bread manufacturer could very well cease accepting stale bread returns unless all of the others did, since retailers would cease to "push" his bread and instead would favor his competitors.

The United States is one of the few countries in the world where home baking still is practiced on a large scale. In the period 1935-39 bakeries in this country used less than half of the total flour consumed. In some regions, such as northern New England, home baking is traditional. The savings to the housewife from baking at home, computed as of 1940, amounted to about 33 cents an hour for the time spent baking in Vermont and 39 cents an hour in Nebraska. This is a strong inducement for some housewives, especially those in rural areas, to bake at home.

During the present century, the baking industry has undergone a considerable degree of centralization of ownership, management and operations. This centralization, however, has been much more rapid and complete in the biscuit and cracker part of the industry than in the industry producing perishable bread, pies and cakes. Small hand bakeries still are able to hold their own with larger plants by concentrating on specialities and serving a compact group of nearby customers. Chain store bakeries in recent years have offered strong competition to the large centralized and small hand bakeries, and have certain advantages tending to lower costs, particularly in selling and delivery. They also lose less on stale returns because of better control of sales. But the size of their baking plant is determined by the number of available retail outlets owned by the chain, and may be uneconomical.

Competition in the bread industry, therefore, generally is strong, but this has led not only to the successful search for more efficient production methods, but also to what many observers consider to be extravagance in the merchandising of bread. In recent pre-war years these questionable services included, in addition to stale bread returns, very frequent deliveries and fancy packaging. Consumers find it difficult to distinguish the relations among bread prices, quality and service, and may purchase the more expensive bread sold with more service because they believe such bread to be of better quality. There is little doubt, however, that consumers in the United States demand such services to a greater extent than in foreign countries where bread merchandising costs are much lower.

Retail bread prices have had a declining trend since World War I, and have changed relatively little during the present war. This trend has reflected the decline in returns to the farmer for wheat, and the combined baker's and retailer's margin has gradually increased (page 5). With rising prices of wheat, flour, and other items, during the present war, and retail bread prices held down by ceilings, the bakers' and retailers' margins on bread have been reduced. The reduction in margins has been made possible partly by reductions in physical cost of merchandising bread as a result of the elimination of stale bread returns, less frequent deliveries, and reductions in supplemental services under orders of Food Distribution Administration and Office of Defense Transportation. According to a

study by the Federal Trade Commission, selling and delivery expenses in the past have represented about as large a part of the total cost of bread sold at wholesale as have manufacturing costs.

It is doubtful that American consumers would turn to bread of the heavier types having as low-cost ingredients as the bread sold in many foreign countries, or give up permanently all of the extra services which have been rendered in connection with the sale of bread in the United States in recent years. The curtailment of services during the war, however, may have holdover effects on the baking industry after wartime controls have been abolished.

FARM - RETAIL PRICE SPREADS

JUNE 1943

Food marketing charges, retail prices, and farm prices all decline into June

Charges for marketing a food basket consisting of annual family purchases of farm food products fell 2 percent from $214 in May to $210 in June, but remained near the highest levels since 1931.

Retail cost to consumers of the food basket dropped more than 1 percent from $475 in May to $470 in June. This was the first decline in retail cost since the autumn of 1940, and was due chiefly to a combination of seasonal supply and price control factors. Consumers' demand for food products continues to advance to unprecedented highs.

Payments to farmers for produce equivalent to the items included in the food basket declined slightly from $261 in May to $260 in June. In June, the level of these payments to farmers was only $3 above the level of payments for March 1943, while retail cost was $22 higher and the farm-retail spread was up $19.

In comparison with pre-war 1935-39 averages, the farm-retail food marketing margin for June 1943 was up 10 percent, retail cost up 42 percent and payments to farmers up 84 percent. Compared to a year earlier, retail cost in June was up 18 percent, farm payments up 28 percent, and the margin up 8 percent.

The farmer's share of the retail food dollar for June remained at 55 cents, unchanged from May, but lower than the shares of 56 and 57 cents reached during the first 4 months of 1943

Lower farm prices for livestock and dairy products

While consumers' retail cost of meat (beef, pork and lamb) remained practically unchanged from May to June, prices paid to farmers for the livestock dropped off by 1-1/2 percent. The farmer received about two-thirds of the consumer's dollar spent for meat products, after allowing for wholesale values of livestock byproducts.

Retail prices of dairy products dropped 3 percent from May to June while prices paid farmers for milk and butter fat declined more than 1 percent. The effects of the subsidy program for butter were reflected in a 9 percent retail price decline.

Sweetpotatoes still hold the record for increase in price and marketing spread over a year ago. In June 1943 the retail price, at 18.1 cents per pound, was more than three times the June 1942 price of 5.9 cents. While the marketing spread increased 10.2 cents per pound, from 3.9 cents to 14.1 cents, the farm price rose only 2 cents over the June, 1942 price of 2 cents per pound.

Wholesale food prices decline in July

For the week ended July 10, the U. S. Bureau of Labor Statistics reported wholesale prices of food products had declined more than 3 percent below the corresponding week of June, climaxing 4 successive weeks of falling average prices on wholesale markets.

In June 1943, the index of wholesale food prices was 10 percent higher than a year earlier. During the same period prices paid to farmers for food products rose 28 percent and retail prices of farm food products rose 18 percent. Normally the percentage rise in wholesale prices would exceed that in retail prices but fall short of the rise in farm prices, owing to relative stability in marketing charges. The abnormal trends of the past year suggest that most of the recent increases in farm-retail margins for food products went to retailers and not to processors and wholesalers.

For textile products the wholesale price index showed no rise from June 1942 to June 1943, although farm prices of fiber products (cotton and wool) advanced 9 percent and retail clothing prices rose 2-1/2 percent during the year. This again probably reflects greater gain in retailers' margins than in processors' margins, particularly in view of the fact that most "up-grading" of textile products would occur in articles finished for consumers' use. Such "up-grading" is less feasible in standardized yarns and fabrics priced at wholesale.

Food prices in relation to consumer income remain at record low in May

Average income of U. S. consumers rose 1 percent from an annual rate of $1,026 in April to $1,035 in May. Consumers' cost of the "food basket", representing average annual consumption per consumer for the 5 pre-war years, 1935-39, rose less than 1 percent from $166 to $167. Those foods could be purchased for 16 percent of income in each month since September 1942, the lowest share on record since 1913. In 1935-39 purchase of the same foods took 22 percent of average income, compared with 33 percent required in 1919.

Actual expenditures for foods were slightly higher in May than in April, amounting to about 19 percent of income. Total consumer expenditures for all goods and services, after seasonal correction, showed nearly 7 percent increase from April to May, and show a slight decline before seasonal adjustment. Food expenditures averaged less than 30 percent of total expenditures for all consumer goods and services in April and May, or about the same as in September 1942.

Book on State Milk and Dairy Legislation

The results of a comprehensive study by Marketing Laws Survey, Work Projects Administration, showing a compilation, review and analysis of State laws and regulations affecting the production and distribution of milk and other dairy products, is available in book form. This book contains 595 pages and is available for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. at $1.50 per copy.

Table 1 .- Annual family purchases of 58 foods 1/

Year and month	Cost to retail	Paid to farmers	Marketing margin	Farmer's share of retail value
	Dollars	Dollars	Dollars	Percent
1913-15 average	236	135	121	53
1920	514	272	242	53
1929	415	195	220	47
1935-39 average	332	141	191	42
1940	314	132	182	42
1941	342	164	178	48
1942	398	209	189	53
1942 - June	398	203	195	51
July	401	208	193	52
Aug.	402	215	187	53
Sept.	405	216	189	53
Oct.	414	224	190	54
Nov.	418	227	191	54
Dec.	423	234	189	55
1943 - Jan.	430	241	189	56
Feb.	432	246	186	57
Mar.	448	257	191	57
Apr.	462	261	201	56
May	475	261	214	55
June	470	260	210	55

1/ Important food products produced by American farmers combined in quantities representing annual purchases by a typical workingman's family.
Retail price averages for 56 cities from U. S. Bureau of Labor Statistics.

Table 2 .- Food cost and expenditures compared with total income per person, United States average 1/

Year and month	Total income	Total expenditures for consumer goods and services	Food expenditures: Actual	Food expenditures: As percentage of Total income	Food expenditures: As percentage of Total expenditures for goods and services	Cost to consumer of fixed quantities of foods representing average annual consumption per person, 1935-39: Actual	As percentage of Total income	As percentage of Total expenditures for goods & services
	Dollars	Dollars	Dollars	Percent	Percent	Dollars	Percent	Percent
1935-39 average	520	456	113	22	25	113	22	25
1940	579	497	121	21	24	107	18	22
1941	692	560	140	20	25	120	17	1/ 21
1942	857	612	176	21	29	143	17	1/ 23
1943 -	Annual rates by months, seasonally adjusted							
Jan.	974	2/658	2/194	20	2/29	155	16	24
Feb.	993	688	2/200	20	29	156	16	23
Mar.	1,012	2/628	208	21	33	162	16	26
Apr.	2/1,026	2/665	193	19	29	166	16	25
May	1,035	3/713	200	19	28	167	16	23

1/ See explanatory footnotes in original table (table 1/, page 3 of the April-May issue of this publication) Income and expenditure data from Department of Commerce.
2/ Revised. 3/Preliminary.

Table 3 .- Price spreads between the farmer and the consumer - food products, June 1943

Retail commodity	Table No. 1/	Retail: Unit	Retail: Price	Farm equivalent: Quantity	Farm equivalent: Value	Actual margin	Farm value as percentage of retail price
			Cents		Cents	Cents	Percent
Pork products	11	1 lb.prin. pork products	31.6	1.90 lb. live hog	25.8	5.8	82
Dairy products	12	100 lb.milk equivalent	427.1	100 lb.milk equivalent	2/246.4	180.7	58
Hens	13	1 lb.	44.4	1.11 lb.	27.9	16.5	63
Eggs	14	1 doz.	51.7	1 doz.	35.2	16.5	68
White flour	15	1 lb.	6.1	1.41 lb. wheat	2.9	3.2	48
White bread	16	1 lb.	8.8	.97 lb. wheat	2.0	6.8	23
Corn meal	17	1 lb.	5.6	1.5 lb. corn	2.8	2.8	50
Rolled oats	18	1 lb.	8.6	1.78 lb.oats	3.6	5.0	42
Corn flakes	19	8-oz. pkg.	6.7	1.275 lb. corn	2.4	4.3	36
Wheat cereal	20	28-oz. pkg.	23.2	2.065 lb. wheat	4.3	18.9	19
Rice	21	1 lb.	12.6	1.51 lb. rough rice	6.0	6.6	48
Navy beans	22	1 lb.	10.0	1 lb. dry beans	5.6	4.4	56
Oranges	24	1 doz.	43.7	1/17 box	17.5	26.2	40
Potatoes	25	1 lb.	5.6	1 lb.	3.1	2.5	55
Apples	35	1 lb.	14.9	1 lb.	5.6	9.3	38
Lamb products	37	1 lb.prin. lamb cuts	38.0	2.16 lb. live lamb	29.2	8.8	77
Sweetpotatoes	38	1 lb.	18.1	1 lb.	4.0	14.1	22
Rye bread	39	1 lb.	9.4	0.39 lb.rye & 0.64 lb. wheat	1.9	7.5	20
Whole wh.bread	40	1 lb.	10.2	0.92 lb. wheat	1.9	8.3	19
Macaroni	41	1 lb.	15.5	1.72 lb. durum wheat	3.5	12.0	23
Soda crackers	42	1 lb.	17.7	1.085 lb. wheat	2.2	15.5	12
Peanut butter	44	1 lb.	33.1	1.73 lb.peanuts	12.1	21.0	37
58 foods combined	8	Annual family consumption	$470	Annual family consumption 2/	$260	$210	55

1/ Table numbers refer to numbering in original 1936 report and annual supplements entitled "Price Spreads Between the Farmer and the Consumer."
2/ Preliminary.
Retail prices from the United States Bureau of Labor Statistics.

Table 4 .-- Price spreads between the farmer and the consumer - food products, retail price and farm value, June 1943

Commodity	Retail unit	Retail price: 1935-39 average	Retail price: June 1942	Retail price: May 1943	Retail price: June 1943	Percentage change to June 1943 - from June 1942	Percentage change to June 1943 - from May 1943	Farm equivalent	Farm value: 1935-39 average	Farm value: June 1942	Farm value: May 1943	Farm value: June 1943	Percentage change to June 1943 - from June 1942	Percentage change to June 1943 - from May 1943
		Cents	Cents	Cents	Cents	Percent	Percent		Cents	Cents	Cents	Cents	Percent	Percent
Pork products	1 lb. prin.pork products	25.3	29.3	31.6	31.6	+ 8	0	1.90 lb. live hogs	15.7	25.4	26.4	25.8	+ 2	- 2
Dairy products	100 lb. milk equivalent	324.0	394.9	441.9	427.1	+ 8	- 3	100 lb. milk equivalent	146.0	190.0	1/249.7	2/246.4	+ 30	- 1
Hens	1 lb.	31.7	39.3	45.4	44.4	+ 13	- 2	1.11 lb.	16.5	20.5	27.4	27.9	+ 36	+ 2
Eggs	1 doz.	36.0	42.4	50.2	51.7	+ 22	+ 3	1 doz.	21.7	27.4	34.2	35.2	+ 28	+ 3
White flour	1 lb.	4.5	5.1	6.1	6.1	+ 20	0	1.41 lb. wheat	2.0	2.2	2.9	2.9	+ 32	0
White bread	1 lb.	8.2	8.6	8.8	8.8	+ 3	0	0.97 lb. wheat	1.3	1.5	2.0	2.0	+ 33	0
Corn meal	1 lb.	5.0	4.7	5.6	5.6	+ 19	0	1.5 lb. corn	1.8	2.2	2.8	2.8	+ 27	0
Rolled oats	1 lb.	7.4	8.6	8.7	8.6	0	- 1	1.78 lb. oats	1.9	2.6	3.4	3.6	+ 38	+ 6
Corn flakes	8-oz. pkg.	7.8	7.2	6.8	6.7	- 7	- 1	1.275 lb. corn	1.6	1.9	2.4	2.4	+ 26	0
Wheat cereal	28-oz. pkg.	24.3	24.1	23.7	23.2	- 4	- 2	2.065 lb. wheat	2.9	3.3	4.2	4.3	+ 30	+ 2
Rice	1 lb.	8.2	12.2	12.7	12.6	+ 3	- 1	1.51 lb. rough rice	2.5	5.7	6.0	6.0	+ 5	0
Navy beans	1 lb.	6.9	8.9	10.0	10.0	+ 12	0	1 lb. dry beans	3.5	4.4	5.6	5.6	+ 27	0
Oranges	1 doz.	31.5	36.2	42.2	43.7	+ 21	+ 4	1/17 box	9.3	12.9	16.3	17.5	+ 36	+ 7
Potatoes	1 lb.	2.5	3.9	6.2	5.6	+ 44	- 10	1 lb.	1.2	1.9	3.2	3.1	+ 63	- 3
Apples	1 lb.	5.5	9.4	12.9	14.9	+ 59	+ 6	1 lb.	1.9	3.5	5.0	5.6	+ 60	+12
Lamb products	1 lb. prin.lamb cuts	27.2	34.6	37.7	38.0	+ 10	+ 1	2.16 lb. live lamb	16.2	25.9	29.9	29.2	+ 13	- 2
Sweetpotatoes	1 lb.	4.4	5.9	17.9	18.1	+207	+ 1	1 lb.	1.5	2.0	4.1	4.0	+100	- 2
Rye bread	1 lb.	9.1	9.2	9.4	9.4	+ 2	0	0.39 lb.rye & 0.64 lb.wheat	1.3	1.4	1.8	1.9	+ 36	+ 6
Whole wheat bread	1 lb.	9.3	10.0	10.2	10.2	+ 2	0	0.92 lb. wheat	1.3	1.5	1.9	1.9	+ 27	0
Macaroni	1 lb.	15.0	14.2	15.3	15.5	+ 9	+ 1	1.72 lb. durum wheat	2.3	2.6	3.4	3.5	+ 35	+ 3
Soda crackers	1 lb.	16.9	16.4	17.8	17.7	+ 8	- 1	1.085 lb. wheat	1.5	1.7	2.2	2.2	+ 29	0
Peanut butter	1 lb.	19.3	26.0	32.5	33.1	+ 27	+ 2	1.73 lb. peanuts	6.1	9.5	12.1	12.1	+ 27	0
58 foods combined	Annual family consumption	$ 332	$ 398	$ 475	$ 470	+ 18	- 1	Annual family consumption	$ 141	$ 203	$ 261	2/$260	+ 28	3/

Retail prices are 51-city averages as published by the United States Bureau of Labor Statistics - Farm values are calculated from U. S. average farm price.

1/ Revised.
2/ Preliminary.
3/ Less than 0.5 percent.

Table 5 .- Price spreads between the farmer and the consumer - food products, margins, and farm value as percentage of retail price, June 1943

Commodity	Retail unit	Margin				Percentage change to June 1943-from		Farm value as percentage of retail price			
		1935-39 average	June 1942	May 1943	June 1943	June 1942	May 1943	1935-39 average	June 1942	May 1943	June 1943
		Cents	Cents	Cents	Cents	Percent	Percent	Percent	Percent	Percent	Percent
Pork products	1 lb. prin.pork products	9.6	3.9	5.2	5.8	+ 49	+ 12	62	87	84	82
Dairy products	100 lb.milk equiv.	178.0	204.9	1/193.2	2/180.7	- 12	- 6	45	48	57	58
Hens	1 lb.	15.2	18.8	18.0	16.5	- 12	- 8	52	52	60	63
Eggs	1 doz.	14.3	15.0	16.0	16.5	+ 10	+ 3	60	65	68	68
White flour	1 lb.	2.5	2.9	3.2	3.2	+ 10	0	44	43	48	48
White bread	1 lb.	6.9	7.1	6.8	6.8	- 4	0	16	17	23	23
Corn meal	1 lb.	3.2	2.5	2.8	2.8	+ 12	0	36	47	50	50
Rolled oats	1 lb.	5.5	6.0	5.3	5.0	- 17	- 6	26	30	39	42
Corn flakes	8-oz. pkg.	6.2	5.3	4.4	4.3	- 19	- 2	21	26	35	36
Wheat cereal	28-oz. pkg.	21.4	20.8	19.5	18.9	- 9	- 3	12	14	18	19
Rice	1 lb.	5.7	6.5	6.7	6.6	+ 2	- 1	30	47	47	48
Navy beans	1 lb.	3.4	4.5	4.4	4.4	- 2	0	51	49	56	56
Oranges	1 lb.	22.2	23.3	25.9	26.2	+ 12	+ 1	30	36	39	40
Potatoes	1 lb.	1.3	2.0	3.0	2.5	+ 25	-17	48	49	52	55
Apples	1 lb.	3.6	5.9	7.9	9.3	+ 58	+18	35	37	39	38
Lamb products	1 lb.prin.lamb cuts	11.0	8.7	7.8	8.8	+ 1	+13	60	75	79	77
Sweetpotatoes	1 lb.	2.9	3.9	13.8	14.1	+ 262	+ 2	34	34	23	22
Rye bread	1 lb.	7.8	7.8	7.6	7.5	- 4	- 1	14	15	19	20
Whole wh.bread	1 lb.	8.0	8.5	8.3	8.3	- 2	0	14	15	19	19
Macaroni	1 lb.	12.7	11.6	11.9	12.5	+ 8	+ 5	15	18	22	23
Soda crackers	1 lb.	15.4	14.7	15.6	15.5	+ 5	- 1	9	10	12	12
Peanut butter	1 lb.	13.2	16.5	20.4	21.0	+ 27	+ 3	32	37	37	37
58 foods combined	Annual family consumption	$191	$195	$214	$210	+ 8	- 2	42	51	55	55

1/ Revised. 2/ Preliminary.

Table 6.- Farm products: Indexes of prices at several levels of marketing, 1935-39 = 100

Year and month	Cost of living of city families 1/	Foods: Retail prices of all foods 1/	Foods: Wholesale prices 2/	Foods: Farm prices of 58 foods 3/	Fibers: Retail prices of clothing 1/	Fibers: Wholesale prices of textile products 2/	Fibers: Farm prices of cotton and wool 4/	Wholesale prices of all farm products 2/	Farm prices of all products 3/	Prices paid by farmers 3/
1913	71	80	81	95	69	81	111	94	95	81
1914	72	82	82	97	70	77	97	94	95	80
1916	78	91	96	110	78	99	131	111	111	100
1918	108	134	151	174	128	193	281	195	190	141
1920	143	169	174	193	201	232	282	198	199	162
1929	122	132	126	138	115	127	167	138	137	123
1932	98	86	77	62	91	77	55	63	61	86
1935	98	100	106	98	97	100	109	104	102	100
1936	99	101	104	108	98	101	114	106	107	100
1937	103	105	108	113	103	107	111	114	114	105
1938	101	98	93	92	102	94	81	90	89	98
1939	99	95	89	89	100	98	85	86	88	97
1940	100	97	90	94	102	104	97	89	92	99
1941	105	105	105	116	106	119	131	108	115	105
1942	116	124	126	148	124	136	178	139	148	122
1939 -Aug.		94	85	85		96	85	80	83	96
Sept.	101	98	95	95	100	101	91	90	92	98
1942 -June	116	123	126	144	125	137	176	137	143	122
July	117	125	125	148	125	137	178	139	142	122
Aug.	118	126	127	152	125	137	174	140	152	122
Sept.	118	127	130	153	126	137	179	142	151	123
Oct.	119	130	131	159	126	137	182	143	156	124
Nov.	120	131	131	161	126	137	184	145	158	125
Dec.	120	133	132	166	126	137	187	150	170	125
1943 -Jan.	121	133	133	170	126	137	189	154	174	127
Feb.	121	134	134	174	126	137	188	157	171	129
Mar.	123	137	136	182	128	137	191	148	173	129
Apr.	124	141	137	185	128	137	192	163	175	130
May	125	143	140	185	128	137	192	165	176	131
June	125	142	139	184	128	137	192	166	179	132

1/ From "Changes in Cost of Living" Bureau of Labor Statistics.
2/ Calculated from figures of the Bureau of Labor Statistics.
3/ Based on figures published by the United States Department of Agriculture.
4/ Cotton and wool prices weighted by production in the period 1935-39.

Table 7 .- Indexes of food costs, consumer income and of charges and hourly earnings in marketing, 1935-39 = 100

Year and month	Retail cost of 58 foods	Non-agricultural income payments 1/	Monthly earnings per employed factory worker 2/	Payments to farmers for 58 foods	Marketing margin of 58 foods	Hourly earnings in marketing enterprises: Class I steam railways 3/	Hourly earnings in marketing enterprises: Food processing 4/	Hourly earnings in marketing enterprises: Food marketing 5/	Hourly earnings in marketing enterprises: Cotton processing 4/
1929	125	122	118	138	115	93	-	-	-
1935-39 average	100	100	100	100	100	100	100	100	100
1940	95	115	111	94	95	105	110	105	106
1941	103	137	132	116	93	106	116	110	119
1942	120	169	166	148	99	119	128	120	139
1942 - June	120	168	162	144	102	117	130	120	136
July	121	170	165	148	101	117	128	120	136
Aug.	121	173	171	152	98	117	125	120	141
Sept.	122	174	174	153	99	119	125	121	148
Oct.	125	178	178	159	99	118	130	122	148
Nov.	126	184	182	161	100	121	131	123	149
Dec.	127	187	183	166	99	120	133	122	149
1943 - Jan.	130	191	182	171	99	120	134	126	150
Feb.	130	194	185	174	97	123	135	127	150
Mar.	135	196	188	182	100	119	136	127	151
Apr.	139	199	192	185	105	120	136	128	151
May	143	6/ 201	6/ 194	185	112	120	139	129	152
June	142	-	-	184	110	-	-	-	-

1/ United States Department of Commerce estimates. Adjusted for seasonal variation. Revised series.
2/ Prepared in the Bureau of Agricultural Economics from data of the United States Bureau of Labor Statistics, adjusted for seasonal variation.
3/ Compiled from data published by the Interstate Commerce Commission.
4/ United States Bureau of Labor Statistics.
5/ Weighted composite of earnings in steam railways, food processing, wholesaling, and retailing.
6/ Preliminary estimates.

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